
OLR Bill Analysis

sSB 1406

AN ACT CONCERNING ONLINE PLATFORMS THAT COLLECT CONTRIBUTIONS AND AUTHORIZING STATE ELECTIONS ENFORCEMENT COMMISSION JURISDICTION OVER VOTING AT THE MEETINGS OF CERTAIN DISTRICTS..

SUMMARY

This bill makes changes to certain state campaign finance definitions to (1) allow or exempt certain activities of online platforms that collect and transmit contributions to committees and (2) define certain authorized and unauthorized practices for these platforms (§§ 1-3). It also expands the State Election Enforcement Commission's (SEEC) authority to investigate, refer, and penalize certain violations of the state's special taxing district laws (§ 5).

Additionally, the bill requires SEEC, by January 1, 2026, to hire four additional full-time investigators and two more full-time staff attorneys as investigatory personnel (§ 4).

The bill also updates outdated references to "voting machines" and "voting machine ballot labels" that may be used during special taxing district meetings by replacing these references with "voting tabulator" and "voting tabulator ballots" (§ 6).

Finally, the bill makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2025, except that provisions regarding online platforms are effective upon passage.

§§ 1-3 — ONLINE PLATFORM CONTRIBUTIONS

Authorized and Unauthorized Practices (§ 1)

Under existing practice, certain online platforms collect and transmit contributions from individuals to candidate, party, and political committees. The bill requires these platforms to receive affirmative

consent from a person before enrolling him or her in automatically recurring contributions. The bill specifies that passive action or inaction, such as failing to uncheck a prechecked box, does not satisfy the bill's requirement.

The bill also authorizes online platforms that collect and transmit contributions to committees to recommend other committees a person may contribute to. In order to do so, the platform must comply with the state's campaign finance laws and have an approved contributor certification from SEEC.

Campaign Finance Exemptions (§§ 2 & 3)

Relatedly, the bill adds a new exemption to the state's campaign finance law's definitions of "contribution" and "expenditure." Generally, the definitions include, with specified exceptions, anything of value that promotes either the success or defeat of a candidate, referendum, or political party.

The bill exempts from the definition of contribution voluntary payments to an online platform by the contributor that are (1) in addition to the contribution and (2) used by the platform to conduct its operations. The bill adds a parallel exemption to the definition of expenditure for using the platform to request these voluntary payments.

Generally, state law subjects contributions to, and expenditures by, candidate committees, party committees, and political committees to campaign finance reporting requirements. It also places limits on contributions made to benefit these committees. Exempted items or services do not need to be reported as contributions or expenditures.

§ 5 — SEEC AUTHORITY OVER SPECIAL TAXING DISTRICTS

Investigative Authority

Existing law authorizes SEEC to conduct investigations on its own initiative or in response to statements from the secretary of the state or any town clerk or registrar, as well as when any individual submits a written complaint under oath. Under current law, SEEC may generally investigate state law violations relating to an election, referendum, or

primary as defined under the state's election laws.

The bill expands this authority to include considering these written complaints under oath from eligible voters of special taxing districts. The bill also expands SEEC's authority to act on complaints about votes at special taxing district annual or special meetings.

These districts include fire, sewer, fire and sewer, lighting, village, beach or improvement association, and any other district or association, except a school district, wholly within a town and having the power to make appropriations or to levy taxes. Unlike voters under federal and state election law, voters in special taxing districts do not necessarily need to live in the applicable district, but instead may have the right to vote if they are a U.S. citizen and own qualifying property within the district (CGS § 7-6).

The bill explicitly expands SEEC authority to (1) hold hearings on these matters; (2) subpoena any district clerk for its investigations; (3) subpoena absentee balloting materials related to a covered special taxing district election contest; (4) order district clerks to impound voting tabulators related to an investigation; (5) voluntarily secure compliance, through informal methods, with the state's laws on special taxing districts; and (6) refer evidence related to a violation of these laws to the chief state's attorney. The bill also authorizes SEEC to order the removal of a district clerk if it finds an intentional violation of the state's campaign finance laws was committed and prohibit that person from serving in the future. Current law already generally authorizes SEEC to take these actions for elections, primaries, and referendums not related to special taxing districts.

Fines

Under existing law, SEEC may levy a civil penalty of up to \$2,000 against a person for violating certain election-related laws or against certain specified officials for failing to discharge a duty under the state's laws on elections and voting methods. The bill additionally allows for a fine if a person improperly votes at a special taxing district meeting, including if they were not legally qualified to vote.

The bill also (1) adds members of a district's board of directors to the list of officials that may be fined for failing to discharge their duty, and (2) expands SEEC's authority to levy fines against violators of the state's special taxing district laws as well as any official failing to discharge a duty under these laws. (It appears to authorize SEEC to issue a fine for violations of the state's special taxing district laws unrelated to any election, primary, or referendum.)

BACKGROUND

Related Bills

sSB 1168, reported favorably by the Government Administration and Elections (GAE) Committee, includes the provisions on online platforms, but does not authorize them to make recommendations.

sHB 7128, reported favorably by the GAE Committee, includes the provisions on online platforms, but does not authorize them to make recommendations.

COMMITTEE ACTION

Government Oversight Committee

Joint Favorable

Yea 8 Nay 4 (03/18/2025)